

AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF HARDY/NEAR NORTHSIDE REDEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS (HARDY/NEAR NORTHSIDE ZONE); APPROVING THE FISCAL YEAR 2020 OPERATING BUDGET FOR THE AUTHORITY AND THE FISCAL YEARS 2020-2024 CAPITAL IMPROVEMENT PLAN BUDGET FOR THE ZONE; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, the City of Houston (the "City") created Reinvestment Zone Number Twenty-One, City of Houston, Texas (the "Zone" or "Hardy/Near Northside Zone") by Ordinance No. 2003-1258 effective on December 23, 2003; and

WHEREAS, the Hardy/Near Northside Redevelopment Authority (the "Authority"), a local government corporation acting on behalf of the City in connection with the Zone, has submitted an Operating Budget for Fiscal Year 2020 (the "Operating Budget") and a Capital Improvement Plan Budget for Fiscal Years 2020-2024 (the "CIP Budget" and, collectively with the Operating Budget, the "Budgets") to the City Council for approval pursuant to that certain agreement among the City, the Authority, and the Zone approved by Ordinance No. 2009-1271 on December 9, 2009; and

WHEREAS, the City Council desires to approve the Budgets for the Authority on behalf of the Zone; **NOW, THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. That the findings contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as part of this Ordinance.

Section 2. That the City Council takes cognizance of the fact that in order to

implement the Project Plan and Reinvestment Zone Financing Plan for the Zone, and to make adjustments occasioned by events transpiring during the year, the Authority, upon the approval of the City's Chief Development Officer, may transfer funds from one line item of Project Costs shown on Exhibit "A" to another. Unless approved by the City Council, the Authority may transfer funds only (1) as needed for Debt Service; and (2) from one line item of Project Costs to another, provided that the aggregate of such transfers does not exceed the lesser of \$400,000 or 5% of Project Costs during Fiscal Year 2020. Subject to the foregoing, the Operating Budget attached hereto as Exhibit "A" is hereby approved for the Authority.

Section 3. That the CIP Budget attached hereto as Exhibit "B" is hereby approved for the Zone.

Section 4. That not later than March 31, 2020, the Zone shall, in cooperation with City representatives: (1) identify surplus funds in the Zone's Fiscal Year 2020 Operating Budget based on the difference between Zone revenues and the Fiscal Year 2020 Operating Budget approved by the City; and (2) make available any surplus Zone funds, through appropriate agreement, for projects identified by the City that are eligible for tax increment funding, such as affordable housing, areas of public assembly, incremental costs of municipal services attributable to development and redevelopment in the Zone, and capital projects that benefit the City and the Zone. The agreement may provide for the payment of surplus funds into one or more accounts established by the City or may provide for direct payment by the Zone for that purpose. The Zone shall consider amendments to the Zone Project Plan and Reinvestment Zone Financing Plan that may be necessary to accomplish this purpose, and shall expedite any such

amendments.

Section 5. That the approval of the Budgets is contingent upon receipt by the City's Chief Development Officer of a document signed by the Administrator of the Zone disclosing the name of each owner or developer of property within the Zone from which the Administrator has received compensation during the last five calendar years, and the amount of compensation by owner by year. Compensation may be expressed by category as follows:

Category I	Less than \$1,000.00
Category II	At least \$1,000.00 but less than \$10,000.00
Category III	At least \$10,000.00 but less than \$50,000.00
Category IV	At least \$50,000.00 but less than \$100,000.00
Category V	At least \$100,000.00 but less than \$500,000.00
Category VI	At least \$500,000.00 but less than \$1,000,000.00
Category VII	\$1,000,000.00 or more

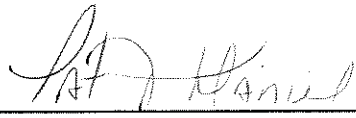
Section 6. That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 16th day of October, 2019.

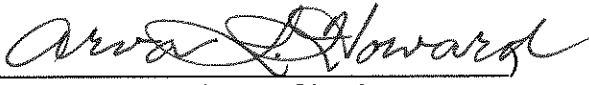
APPROVED this _____ day of _____, 2019.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is OCT 22 2019.


 City Secretary **Assistant**

(Prepared by Legal Department
 (AH/ems 10-1-19)
 (Requested by Andy Icken, Chief Development Officer, Office of the Mayor)
 (L.D. File No. 0421400131008)
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 Senior Assistant City Attorney

CAPTION PUBLISHED IN DAILY COURT
 REVIEW
 DATE: **OCT 22 2019**

AYE	NO	
✓		MAYOR TURNER
....	COUNCIL MEMBERS
✓		STARDIG
✓		DAVIS
✓		COHEN
ABSENT		BOYKINS
ABSENT-ON PERSONAL BUSINESS		MARTIN
✓		LE
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		LASTER
✓		CASTEX-TATUM
✓		KNOX
✓		ROBINSON
✓		KUBOSH
ABSENT		EDWARDS
✓		CHRISTIE
CAPTION	ADOPTED	

EXHIBIT "A"

**Fiscal Year 2020 Operating Budget
for the Hardy/Near Northside Redevelopment Authority**

CITY OF HOUSTON
ECONOMIC DEVELOPMENT DIVISION
FISCAL YEAR 2020 BUDGET PROFILE

Fund Summary
Fund Name: Hardy Yards/Near Northside
TIRZ: 21
Fund Number: 7569/50

P R O J E C T P L A N	Base Year:		2003
	Base Year Taxable Value:	\$	40,313,080
	Projected Taxable Value (TY2019):	\$	203,864,946
	Current Taxable Value (TY2018):	\$	196,023,987
	Acres:		326.1
	Administrator (Contact):		Ralph De Leon
	Contact Number:		(832) 978-5910

N A R R A T I V E	Zone Purpose:
	Tax Increment Reinvestment Zone Number Twenty-One, City of Houston, Texas was created to provide plans and programs needed to reposition a former Union Pacific rail yard site into a mixed-use development consisting of affordable housing and transit oriented mixed-use development through the design and construction of roadways and streets, utility systems, parks, hike and bike trails, mobility improvements, land acquisition and environmental remediation.

		Total Plan	Cumulative Expenses (to 6/30/18)	Variance
P R O J E C T P L A N	Capital Projects:			
	Roadway and Sidewalk Improvements	\$ 37,692,000	\$ 10,263,666	\$ 27,428,334
	Public Utility Improvements	7,884,000	-	7,884,000
	Parks, Plazas and Recreational Facilities	4,328,000	-	4,328,000
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total Capital Projects	\$ 49,904,000	\$ 10,263,666	\$ 39,640,334
	Affordable Housing	24,920,874	1,360,753	23,560,121
P L A N	School & Education/Cultural Facilities	-	-	-
	Financing Costs	1,700,000	-	1,700,000
	Administration Costs/ Professional Services	2,200,000	524,141	1,675,859
	Creation Costs	-	-	-
	Total Project Plan	\$ 78,724,874	\$ 12,148,560	\$ 66,576,314

	Additional Financial Data	FY2019 Budget	FY2019 Estimates	FY2020 Budget
D E B T	<u>Debt Service</u>	\$ -	\$ -	\$ -
	Principal	-	-	-
	Interest	-	-	-
	Balance as of 6/30/18		Projected Balance as of 6/30/19	Projected Balance as of 6/30/20
	<u>Year End Outstanding (Principal)</u>			
	Bond Debt	\$ -	\$ -	\$ -
	Bank Loan	-	-	-
	Line of Credit	-	-	-
	Developer Agreement - Onsite Improvements	4,835,739	4,719,875	4,610,124
	Developer Agreement - Offsite Improvements	2,989,744	2,691,809	2,409,593
	Other	-	-	-

CITY OF HOUSTON
ECONOMIC DEVELOPMENT DIVISION
FISCAL YEAR 2020 BUDGET DETAIL

Fund Summary
Fund Name: Hardy Yards/Near Northside
TIRZ: 21
Fund Number: 7569/50

TIRZ Budget Line Items	FY2019 Budget	FY2019 Estimates	FY2020 Budget
RESOURCES			
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Planning and Development	\$ 1,487,579	\$ 1,620,066	\$ 1,634,164
UNRESTRICTED Funds	\$ -	\$ -	\$ -
Beginning Balance	\$ 1,487,579	\$ 1,620,066	\$ 1,634,164
City tax revenue	\$ 719,817	\$ 794,429	\$ 710,622
County tax revenue	\$ -	\$ -	\$ -
ISD tax revenue	\$ -	\$ -	\$ -
ISD tax revenue - Pass Through	\$ -	\$ -	\$ -
Community College tax revenue	\$ -	\$ -	\$ -
Incremental property tax revenue	\$ 719,817	\$ 794,429	\$ 710,622
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Miscellaneous revenue	\$ -	\$ -	\$ -
COH TIRZ Interest	\$ 170	\$ 170	\$ 170
Interest Income	\$ 162	\$ 13,928	\$ 500
Other Interest Income	\$ 332	\$ 14,098	\$ 670
	\$ -	\$ -	\$ -
GLO Texas Community Block Grant Program	\$ 1,286,960	\$ 404,371	\$ 231,639
Grant Proceeds	\$ 1,286,960	\$ 404,371	\$ 231,639
	\$ -	\$ -	\$ -
Proceeds from Bank Loan	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Contract Revenue Bond Proceeds	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 3,494,688	2,832,964	2,577,095

CITY OF HOUSTON
ECONOMIC DEVELOPMENT DIVISION
FISCAL YEAR 2020 BUDGET DETAIL

Fund Summary
Fund Name: Hardy Yards/Near Northside
TIRZ: 21
Fund Number: 7569/50

TIRZ Budget Line Items	FY2019 Budget	FY2019 Estimates	FY2020 Budget
EXPENDITURES			
Accounting	\$ 10,000	\$ 20,503	\$ 10,000
Administration Salaries & Benefits	\$ 8,000	\$ 10,629	\$ 8,000
Auditor	\$ 10,000	\$ 8,250	\$ 10,000
Tax Consultant	\$ -	\$ 1,863	\$ 2,000
Insurance	\$ 1,000	\$ 928	\$ 1,000
Office Administration	\$ 250	\$ -	\$ 250
TIRZ Administration and Overhead	\$ 29,250	42,173	31,250
Engineering Consultants	\$ 40,000	\$ 2,689	\$ 10,000
Legal	\$ 20,000	\$ 16,060	\$ 20,000
Construction Audit	\$ -	\$ -	\$ -
Planning Consultants	\$ 25,000	\$ 15,177	\$ 25,000
Program and Project Consultants	\$ 85,000	\$ 33,926	\$ 55,000
Management consulting services	\$ 114,250	76,099	86,250
	\$ -	\$ -	\$ -
Capital Expenditures (See CIP Schedule)	\$ 1,301,960	404,371	246,639
TIRZ Capital Expenditures	\$ 1,301,960	404,371	246,639
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Hardy Yards/Cypress - OnSite	\$ 103,498	\$ 115,864	\$ 109,751
Hardy Yards/Cypress OffSite	\$ 266,139	\$ 297,935	\$ 282,216
Developer / Project Reimbursements	\$ 369,637	\$ 413,799	\$ 391,967
System debt service	\$ -	\$ -	\$ -
TOTAL PROJECT COSTS	\$ 1,785,847	894,269	724,866
Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 35,991	\$ 39,721	\$ 35,531
County	\$ -	\$ -	\$ -
ISD	\$ -	\$ -	\$ -
HCC	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ 239,939	\$ 264,810	\$ 236,874
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
Total Transfers	\$ 275,930	\$ 304,531	\$ 272,405
Total Budget	\$ 2,061,777	\$ 1,198,800	\$ 997,261
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Planning and Development	\$ 1,432,911	1,634,164	1,579,834
UNRESTRICTED Funds	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 1,432,911	\$ 1,634,164	\$ 1,579,834
Total Budget & Ending Fund Balance	\$ 3,494,688	\$ 2,832,964	\$ 2,577,095

Notes:

EXHIBIT "B"

**Fiscal Years 2020-2024 Capital Improvement Plan Budget
for the Hardy/Near Northside Zone**

2020 - 2024 CAPITAL IMPROVEMENT PLAN
TIRZ NO.21 - HARDY YARDS/NEAR NORTHSIDE

CITY OF HOUSTON - TIRZ PROGRAM
Economic Development Division

Council District	CIP No.	Project	Fiscal Year Planned Appropriations								FY20 - FY24 Total	Cumulative Total (To Date)
			Through 2018	Projected 2019	2020	2021	2022	2023	2024			
H	T-2101	Near Northside Hernandez Tunnel	\$ -	404,371	231,639	-	-	-	-	231,639	636,010	
H	T-2102	Hernandez Tunnel Mural	\$ -	-	15,000	150,000	-	-	-	165,000	165,000	
H	T-2189	Concrete Panel Replacement Program	\$ -	-	-	-	-	-	-	-	-	
Totals			\$ -	\$ 404,371	\$ 246,639	\$ 150,000	\$ -	\$ -	\$ -	\$ 396,639	\$ 801,010	

* NOTE:
** NOTE:
*** NOTE:

Source of Funds	Fiscal Year Planned Appropriations								Cumulative Total (To Date)
	Through 2018	Projected 2019	2020	2021	2022	2023	2024	FY20 - FY24 Total	
TIRZ Funds	-	-	15,000	150,000	-	-	-	165,000	165,000
City of Houston	-	-	-	-	-	-	-	-	-
Grants	-	404,371	231,639	-	-	-	-	231,639	636,010
Other	-	-	-	-	-	-	-	-	-
Project Total	-	404,371	246,639	150,000	-	-	-	396,639	801,010

Project: Near Northside Hernandez Tunnel		City Council District		Key Map:		491		WBS.:	T-2101		
		Location: H		Geo. Ref.:							
		Served: H		Neighborhood:							
Description:	Tunnel rehabilitation and South Ramp rehabilitation. Pavement resurfacing, concrete wall surface repairs, pedestrian railing replacements, safety lighting and warning system, graffiti removal	Operating and Maintenance Costs: (\$ Thousands)									
			2020	2021	2022	2023	2024	Total			
Justification:	Improve walkable and livable communities. Promote common good and general welfare of the community.	Personnel	-	-	-	-	-	\$	-		
		Supplies	-	-	-	-	-	\$	-		
		Svcs. & Chgs.	-	-	-	-	-	\$	-		
		Capital Outlay	-	-	-	-	-	\$	-		
		Total	\$	-	\$	-	\$	-	\$	-	
		FTEs								-	
Fiscal Year Planned Expenses											
Project Allocation		Projected Expenses thru 6/30/18	2019 Budget	2019 Estimate	2020	2021	2022	2023	2024	FY20 - FY24 Total	Cumulative Total (To Date)
Phase											
1 Planning		-	-	-	-	-	-	-	-	\$ -	\$ -
2 Acquisition		-	-	-	-	-	-	-	-	\$ -	\$ -
3 Design		-	-	-	-	-	-	-	-	\$ -	\$ -
4 Construction		-	1,286,960	404,371	231,639	-	-	-	-	\$ 231,639	\$ 636,010
5 Equipment		-	-	-	-	-	-	-	-	\$ -	\$ -
6 Close-Out		-	-	-	-	-	-	-	-	\$ -	\$ -
7 Other: Construction Mgmt		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Allocations		\$ -	\$ 1,286,960	\$ 404,371	\$ 231,639	\$ -	\$ -	\$ -	\$ -	\$ 231,639	\$ 636,010
Source of Funds											
TIRZ Funds		-	-	-	-	-	-	-	-	\$ -	\$ -
City of Houston		-	-	-	-	-	-	-	-	\$ -	\$ -
Grant Funds		-	1,286,960	404,371	231,639	-	-	-	-	\$ 231,639	\$ 636,010
Other		-	-	-	-	-	-	-	-	\$ -	\$ -

Project: Hernandez Tunnel Mural				City Council District		Key Map:		WBS.:		T-2102	
				Location: H		Geo. Ref.:					
				Served: H		Neighborhood:					
Description: Mural for Hernandez Tunnel at 50% Cost Sharing with the Near Northside Management District.				Operating and Maintenance Costs: (\$ Thousands)							
				Personnel	2020	2021	2022	2023	2024	Total	
Justification: Hernandez Tunnel on Main Street is the primary pedestrian pathway between Near Northside communities and downtown Houston.				Supplies	-	-	-	-	-	\$ -	
				Svcs. & Chgs.	-	-	-	-	-	\$ -	
				Capital Outlay	-	-	-	-	-	\$ -	
				Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
				FTEs							
Fiscal Year Planned Expenses											
Project Allocation		Projected Expenses thru 6/30/18	2019 Budget	2019 Estimate	2020	2021	2022	2023	2024	FY20 - FY24 Total	Cumulative Total (To Date)
Phase											
1 Planning		-	-	-	-	-	-	-	-	\$ -	\$ -
2 Acquisition		-	-	-	-	-	-	-	-	\$ -	\$ -
3 Design		-	-	-	-	-	-	-	-	\$ -	\$ -
4 Construction		-	-	-	15,000	150,000	-	-	-	\$ 165,000	\$ 165,000
5 Equipment		-	-	-	-	-	-	-	-	\$ -	\$ -
6 Close-Out		-	-	-	-	-	-	-	-	\$ -	\$ -
7 Other		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Allocations		\$ -	\$ -	\$ -	\$ 15,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 165,000	\$ 165,000
Source of Funds											
TIRZ Funds		-	-	-	15,000	150,000	-	-	-	\$ 165,000	\$ 165,000
City of Houston		-	-	-	-	-	-	-	-	\$ -	\$ -
Grants		-	-	-	-	-	-	-	-	\$ -	\$ -
Other		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Funds		\$ -	\$ -	\$ -	\$ 15,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 165,000	\$ 165,000